

|   |                                |                    |                |
|---|--------------------------------|--------------------|----------------|
| <b>BALANCING THE FY 2004 BUDGET</b>   |                                |                    |                |
| <i>4/22/2003</i>  |                                |                    |                |
| <b>Revenues and Use of Fund Balance</b>   |                                |                    |                |
| Proposed Revenues <i>(from the FY 2004 Proposed Operating Budget)</i>   | \$                             | 119,620,380        |                |
| Use of Fund Balance   | \$                             | 2,671,061          |                |
| <b>Total Proposed Revenues and Use of Fund Balance</b>  | <b>\$</b>                      | <b>122,291,441</b> |                |
| Adjustments: Revenue Summary <i>(discussed at 4/8/03 Council meeting)</i>                                     | \$                             | (112,617)          |                |
| Business License Adjustment   | \$                             | (30,000)           |                |
| HB 599 <i>(State revisions 4/9/03)</i>  | \$                             | (827)              |                |
| Ambulance billing revenue received in FY 2003 rather than FY 2004   | \$                             | (275,000)          |                |
| <b>Revised Revenues and Use of Fund Balance</b>   | <b>\$</b>                      | <b>121,872,997</b> |                |
| <b>Expenditures, Reserves and Transfers</b>   |                                |                    |                |
| <b>Proposed Expenditures, Reserves and Transfers <i>(from the FY 2004 Proposed Operating Budget)</i></b>      | <b>\$</b>                      | <b>122,291,441</b> |                |
| Adjustments: Debt Service Savings   | \$                             | (491,980)          |                |
| Reduction in Community Planning and Development due to double-budgeting                                       | \$                             | (168,314)          |                |
| Minor reduction in Public Works Administration for fringe benefits  | \$                             | (582)              |                |
| <b>Revised Expenditures</b>   | <b>\$</b>                      | <b>121,630,565</b> |                |
| <b>Revised Balance</b>  | <b>\$</b>                      | <b>242,432</b>     |                |
| <b>April 15, 2003 Council Adjustments</b>   |                                |                    |                |
| Reduce National League of Cities Conference Costs   | \$                             | 2,000              |                |
| Eliminate National League of Cities membership  | \$                             | 4,270              |                |
| Eliminate transfer from General Fund to Solid Waste Fund  | \$                             | 168,617            |                |
| Provide funding for Special Assistant to Safe Neighborhoods to supplement grant funds                         | \$                             | (13,300)           |                |
| Provide travel and training funding for Internal Audit  | \$                             | (2,953)            |                |
| Provide funding for <i>The Source</i> newsletter  | \$                             | (4,000)            |                |
| Provide travel and training funding for the Electoral Board   | \$                             | (450)              |                |
| Fund 4 additional police officers and associated equipment  | \$                             | (170,296)          |                |
| <b>Revised Balance</b>  | <b>\$</b>                      | <b>226,320</b>     |                |
| <b>OUTSTANDING ISSUES</b>   |                                |                    |                |
| <b>General Fund</b>   | <b>Discussion Requested by</b> | <b>Cost</b>        | <b>Savings</b> |
| Certification Pay in the Fire Department  | Staff                          | \$ 148,702         |                |
| Comparable increase for City employees as recommended by the School Board for School employees (3% versus 2%) | Staff                          | \$ 431,800         |                |
| Eliminate Increase for Employee Theft & Dishonesty Insurance  | Staff                          |                    | \$ 10,000      |
| Legislative Liaison Expenses  | Staff                          | \$ 7,000           |                |
| Master Firefighter Program  | Staff                          | \$ 32,958          |                |
| Programmer/Analyst in the Fire Department   | Staff                          | \$ 47,756          |                |
| Recreation Services Manager in Parks and Recreation   | Staff                          | \$ 47,744          |                |
| Reduce General Fund Reserve for Contingencies   | Dodson                         |                    | \$ 300,000     |

| OUTSTANDING ISSUES   | Discussion   |                        |                   |
|--|--------------|------------------------|-------------------|
|  | Requested by | Cost                   | Savings           |
| Schools Funding  | Schools      | \$ 550,000             |                   |
| Wage Position in Procurement   | Staff        | \$ 23,529              |                   |
| <b>Total</b>   |              | <b>\$ 1,289,489</b>    | <b>\$ 310,000</b> |
| <b>OTHER ISSUES (fiscal impact to be determined)</b>   |              |                        |                   |
| Custodians in the new Human Services Building and City Hall                                      | Staff        | To be determined (TBD) |                   |
| Police Officer Pay   | Dodson       | TBD                    |                   |
| Police overtime expense reduction with additional officers                                       | Staff        | TBD                    |                   |
| Annual appropriation from \$1.2 million contingency<br>for City Manager quick response to issues | Staff        | TBD                    |                   |
| Street overlay program   | Staff        | TBD                    |                   |
| Tobacco Tax  | Staff        | \$ 1,020,000           |                   |
| <b>POTENTIAL FY 2004 CONTINGENCY ISSUES (costs to be determined)</b>                             |              |                        |                   |
| Building Maintenance funding reduction- Utilities  | Staff        | \$ 118,930             |                   |
| Parks/Grounds Maintenance funding reduction-Utilities  | Staff        | \$ 41,410              |                   |
| Fleet Services additional funds for fuel   | Staff        | \$ 54,750              |                   |
| Health Insurance   | Staff        | TBD                    |                   |
| Business License Refund ( <i>under review</i> )  | Staff        | \$ 100,000             |                   |
| School Resource Officer for Dunbar ( <i>if grant funds are not received</i> )                    | Staff        | \$ 27,500              |                   |
| <b>TOTAL POTENTIAL CONTINGENCY ISSUES</b>  |              | <b>\$ 315,090</b>      |                   |